

## Support measures of the manufacturing of electric vehicles in Thailand

In the cabinet meeting on Tuesday, August 2<sup>nd</sup>, 2016 which the General Prayut Chan-ocha, prime minister was a chairman, the support measures of the manufacturing of electric vehicles in Thailand were considered. The meeting resolved to approve the support measures proposed by the ministry of industry, and commissioned relevant authorities to expedite implementation of measures to support the manufacturing of electric vehicles in Thailand in a tangible effect, as well as to expedite implementation that the electric bus can be used practically within November 2016 according to the orders of the prime minister.

The ministry of industry, as a major unit commissioned by the cabinet, has organized a meeting by 3 times with the relevant authorities including the Ministry of Finance, The Ministry of Transport, the Ministry of Science and Technology and Industry sector, to consider the issues and proposals of the support measures of the manufacturing of electric vehicles in Thailand in 3 product groups including electric passenger cars, small electric passenger cars and electric buses. In addition, 11 operators were invited individually to attend meeting to discuss plans for investment in the manufacturing of passenger cars powered by an electric motor (motor driven) to process and determine the appropriate support measures prior to propose the support measures of the manufacturing of electric vehicles in Thailand to be considered in the cabinet meeting today.

Mr.Siriruj Chulakaratana, Director General of the Office of Industrial Economics (OIE), the Ministry of Industry, disclosed that "In terms of promoting the manufacturing of electric passenger cars, the cabinet has approved in principle that companies was interested investing in the manufacturing of electric passenger cars, have to submit an action plan in overall plan (Package) consisting of an investment plan of an electric vehicles assembly and the essential parts production such as batteries, motors, power supply control systems and so on, to receive tax benefits and other tax benefits. The company that has received an investment promotion certificate, can import Completely Built Up (CBU) with reduction or exemption of import duties of the car models to be produced in order to test the market in a given unit, as well as to obtain benefits in the reduction or exemption of import duties on essential parts which have been not produced in the country during starting period of the assembly of electric vehicles. The Board of Investment (BOI), the Ministry of Finance and the Ministry of Industry will jointly determine the terms and conditions of imports volume of the completely built up and parts which are entitled to

reduction or exemption of import duties for the company interested the investment.”

In addition to the issue of promoting investment policy, the cabinet commissioned relevant authorities to expedite implementation of establishment of standard of electric passenger cars, standard of size of wires, breakers and transformers, to ensure safety in charging battery of electric vehicles in the home, considering measures to encourage the public sector to be able to buy an electric vehicles to use in government agencies, including considering environmental measures, especially a disposal of battery scrap.

For the electric bus that have to be actual available, the cabinet commissioned the Bangkok Mass Transit Authority that is under preparation or TOR to purchase 200 electric buses in order to expedite the procurement process of electric buses to be completed soon. For promoting the manufacturing of small passenger cars, the cabinet meeting expedited the implementation of draft declaration to make this type of vehicle can be registered and the determination of guidelines for the small electric passenger car using with safety.

Mr.Siriruj said finally that “The government has promoted the electric vehicles (Battery Electric Vehicles: BEV) to prepare availability of Thailand's automotive industry to keep pace with a changing the future of automotive technology which has clear direction toward to driving by an electric motor (motor driven), because of the electric motor is more efficient than internal combustion engines, as well as the electrification of the vehicles does not cause pollution to the environment. However, the government has stressed that Thai government continue to promote vehicles with internal combustion engine, especially the ECO Car and 1-ton pickup trucks which are product champion of Thailand's automotive industry, including Plug-in Hybrid Electric Vehicles (PHEV) which has been started the production in Thailand concurrently.”

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